Managed Risk Medical Insurance Board
March 21, 2012, Public Session

Board Members Present:	Cliff Allenby, Chairman Richard Figueroa Ellen Wu
Ex Officio Members Present:	Katie Johnson, Designee for the Secretary of the Health and Human Services Agency Shelley Rouillard, Designee for the Secretary of the Business, Transportation & Housing Agency
Staff Present:	Janette Casillas, Executive Director Terresa Krum, Chief Deputy Director Ellen Badley, Deputy Director, Benefits & Quality Monitoring Ernesto Sanchez, Deputy Director, Eligibility, Enrollment & Marketing Jeanie Esajian, Deputy Director, Legislative & External Affairs Tony Lee, Deputy Director, Administration Laura Rosenthal, Chief Counsel, Legal Loressa Hon, Manager, Administration Seth Brunner, Senior Staff Counsel, Legal Lance Davis, Senior Staff Counsel, Legal Koy Lee, Staff Services Analyst, Legal John Maradik-Symkowick, Legislative Coordinator, Legislative & External Affairs Willie Walton, Manager, Eligibility Muhammad Nawaz, Manager, Benefits & Quality Monitoring Mary Watanabe, Manager, Benefits & Quality Monitoring Kathi Dobrinen, Manager, Eligibility Aiming Zhai, Research Analyst Maria Angel, Executive Assistant to the Board and the Executive Director Heidi Holt, Board Assistant

Chairman Allenby called the meeting to order at 10:05 a.m. The Board went into Executive Session and resumed the public session at 11:30 a.m.

REVIEW AND APPROVAL OF MINUTES OF FEBRUARY 15, 2012 PUBLIC SESSION

The Minutes of the February 15, 2012, meeting were approved as submitted.

The February 15, 2012, Public Session Minutes are located here: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_3_%20Public_Minutes_2-15-12_Final.pdf

FEDERAL BUDGET, LEGISLATION AND EXECUTIVE BRANCH ACTIVITY (Including Healthcare Reform & Budget)

Jeanie Esajian reported on Agenda Item 4, Federal Budget, Legislation and Executive Branch Activity, including Healthcare Reform and Budget.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The documents on the Federal Budget, Legislation, et al., can be found at: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_4._MX-7001N_20120321_133848.pdf

EXTERNAL AFFAIRS UPDATE

Ms. Esajian reported on Agenda Item 5, the External Affairs Update. The previous 30 day period was fairly light for news media. The focus was on PCIP enrollment and costs, the Administration's proposal for HFP, and the Mathematica study of Health-e-App usage. One news release was distributed on the Mathematic study of Health-e-App usage. External Affairs staff responded to questions and requests from five different media outlets on the above-mentioned topics, as detailed in the report submitted to the Board. Staff continues to receive request for PCIP subscriber interviews; there is an example in the Board's packet.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The document on the External Affairs Update is located at: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_5._External_Affairs_Update.pdf

STATE BUDGET UPDATE

LAO Analysis of Governor's Proposal to Transition the Healthy Families Program to Department of Health Care Services

Tony Lee reported on Agenda Item 6.a, the Legislative Analyst Office analysis of the Governor's Healthy Family Program proposal. The LAO's report offered an alternative to the Governor's proposal, recommending instead that children and families with incomes between 100 percent and 133 percent of the federal poverty level be shifted to Medi-Cal in 2012-2013. This same population would be required to shift to Medi-Cal under the Affordable Care Act in 2014. The LAO indicates that this alternative would serve as a pilot for the proposal to shift all HFP enrollees to Medi-Cal and would allow full evaluation of the policy and budget implications. The report goes on to say that shifting HFP children to Medi-Cal now would disrupt health care services for some HFP enrollees and may impact access to providers.

The LAO recommended that the broader issue of the future of the Healthy Families Programs be referred to Policy Committee.

Mr. Figueroa noted the similarity of the LAO recommendation to the Board's own view and said he was pleased that was the case.

The LAO's Analysis of the Governor's Healthy Families Program Proposal is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_6.a_LAO_analysis_of_Governor%27s_Proposal_to_Transition_the_Healthy_Families_Program_to_Departement_of_Health_Care_Services.pdf

First 5 Audit for Fiscal Year 2010-11

Mr. Lee reported on Agenda Item 6.b, the First 5 audit for Fiscal Year 2010-11. In January of 2011, MRMIB and First 5 entered into an interagency agreement that provided MRMIB with $81.4 million to fund HFP enrollees from ages 0-5 for the period of July 1, 2010 through June 30, 2011. As required in the interagency agreement, an independent audit was completed to review costs charged under this agreement. The audit report confirms that MRMIB expended the $81.4 million and met all criteria outlined in this agreement. This audit report was provided to First 5 today. MRMIB has not yet received a response from them on this report.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

Other State Budget Updates

Mr. Lee reported on Agenda Item 6.c, Other State Budget Updates. He noted a letter from two HFP plan partners, Kaiser and Anthem Blue Cross, as well as a letter from eight advocacy groups, all opposing the Governor's proposal to transition HFP children to Medi-Cal. The advocacy group letter states that the

transition would interrupt the continuity of care and also reduce subscriber access to providers. The letter also states that the groups would favor transitioning of the "bright-line" children to Medi-Cal.

Mr. Lee also reported the dates of two up-coming budget hearings, Senate and Assembly on March 22 and April 16, respectively.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The documents on Other State Budget Updates can be found at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_6.c_Other_State_Budget_Upadates.pdf

STATE LEGISLATION

Update on State Legislation

John Maradik-Symkowick reported on Agenda Item 7.a, Update on State Legislation. Several bills have been added to the monthly report since the last Board meeting. These bills are denoted with an asterisk in the report.

Mr. Maradik-Symkowick noted that AB 1526 was amended the previous day. That bill would prohibit MRMIB from imposing annual and lifetime limits on benefits provided under MRMIP, and would also require the Board to accept a licensed medical provider letter as proof of a pre-existing condition in that program. The amendment would require the Board to exclude the elimination of the lifetime and annual limits from the calculation of subscriber premiums. The introduced version merely permitted the Board to exclude the elimination of lifetime and annual limits from the premium calculation. AB 1526 will be heard in Assembly Health Committee on March 27 and Chief Deputy Director Terresa Krum will present the analysis of the bill.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The State Legislative Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_7.a._Legislative_Summary_3-14-12.pdf

AB 1526 (Monning) Elimination of Annual and Lifetime Benefit Limits, Acceptance of Provider Letter to Establish Pre-existing Condition

Terresa Krum reported on Agenda Item 7.b, MRMIB's staff analysis of AB 1526. This bill would make changes to the MRMIP program that would improve subscriber access to comprehensive health coverage and more closely align MRMIP with the Pre-Existing Condition Insurance Plan. AB 1526 would allow applicants to submit a letter from a licensed health care provider as evidence of a

pre-existing condition and would prohibit annual or lifetime benefit limits in MRMIP. The bill has recently been amended to require MRMIP to set the subscriber contributions or premiums for this program without an increase associated with the elimination of the annual or lifetime benefit limits. Staff is recommending a position of support because AB 1526 significantly improves access to comprehensive health coverage for Californians with pre-existing conditions.

The provisions allowing MRMIP to accept licensed provider letters would eliminate delays associated with the current requirement to submit a denial letter from a health plan. Prohibiting lifetime or annual benefit limits ensures that healthcare needs can be met without the risk of incurring debt for this care and eliminates inequities for individuals that reach the annual or lifetime benefit limit. MRMIP subscribers are currently required to continue paying premiums even though they will not receive any benefit for the remainder of that year, in order to remain in the program and receive benefits the next year.

In discussing the fiscal impact, Ms. Krum explained that AB 1526 is essentially cost-neutral to the state because of MRMIB's statutory requirement to administer MRMIP within the annual appropriation as well as the Affordable Care Act's Maintenance of Effort Provisions, under which California has agreed to maintain the current appropriation. MRMIB's consulting actuary has determined that if the lifetime and annual benefit limits were removed and MRMIB calculated subscriber premiums without reference to the elimination of those caps, expenditures would need to be increased by approximately $16 million. Staff estimates that this amount can be paid for within the current appropriation without lowering the enrollment cap. Staff understands that AARP, AFSME and Kaiser are all in support of this bill.

Chairman Allenby asked if there were any questions or comments from the Board. Mr. Figueroa thanked staff for bringing this issue forward and said that, despite the lack of clarity regarding the Board's future, MRMIB's mission is still to try to provide better and higher quality care to the Californians for which it is responsible.

Chairman Allenby asked if there were any questions or comments from the audience. There were none.

MRMIB's Analysis of AB 1526 (Monning) is located here:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_7.b._AB_1526_Analysis.pdf

PRE-EXISTING CONDITION INSURANCE PLAN (PCIP) UPDATE

Enrollment Report

Willie Walton reported on Agenda Item 8.a, the PCIP Enrollment Report. As of February 29, there were 8,130 individuals enrolled in the program. One thousand twenty-one new subscribers were enrolled during February, the largest number in any single month in the 17-month history of the program. With this milestone, the program has, over the past four months, averaged approximately 870 new subscribers a month. And as of March 20, there were almost 8,800 subscribers in

PCIP. There were no significant changes in demographic information from the prior month. Los Angeles and San Diego counties continue to be the top two in enrollment, with 96 percent of all enrollees speaking English. In February over 1,200 applications were processed, 75 percent without assistance. Additionally, California's PCIP continues to have the largest enrollment of any state in the nation.

There are 17 new PCIP reports that provide application, enrollment, disenrollment and web statistics for the program. The 17 reports are listed in the Board packet, along with copies of six reports which will be posted in March to the MRMIB. The remaining 11 reports will be posted shortly thereafter.

Chairman Allenby asked if there were any questions or comments from the Board. Mr. Figueroa said the Board should ensure that legislative colleagues are aware of these new reports because of their continuing interest on the program. Janette Casillas said staff would make sure to inform them. She said the 11 other reports will be brought to the Board before they are posted, which is expected in April. Mr. Figueroa asked what period of time the reports cover. Ms. Casillas said the reports covered the previous month.

Ms. Wu asked about the PCIP "1128" report [Subscriber Disenrollment by Ethnicity], and noted the disaggregated data for race/ethnicity by disenrollment. She asked for clarification on the 23.53 percent reported as "other." Mr. Walton clarified that the "other" category was separate from the listed categories of racial/ethnic groups.

Ms. Casillas noted that the data was self-reported and optional and the statistics do not match actual numbers disenrolled to the extent they differ.

The PCIP Enrollment Report can be found at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_8.a._PCIP_Enrollment_Report_for_February_2012.pdf

Administrative Vendor Performance Report

Mr. Walton reported on Agenda Item 8.b, the PCIP Administrative Vendor Performance Report. For the month of February, the administrative vendor met all performance standards in the areas of application processing and transmission, and call center measurements. For the month of January, the administrative vendor met all quality and accuracy standards with regard to eligibility determination, electronic transactions, and benefits appeals.

Chairman Allenby asked if there were any questions or comments from the Board or from the audience. Ms. Rouillard said she found it very interesting that there have been no appeals, no IMRs (Independent Medical Reviews) in this program to date, which she indicated gives testimony to the fact that people are getting what they need.

The PCIP Administrative Vendor Performance Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_8.b._PCIP_Adm_Vendor_Board_Report_February_2012.pdf

Third Party Administrator Performance Report

Mary Watanabe reported on Agenda Item 8.c, the PCIP Third Party Administrator Performance Report. She noted that the program had received its first IER (Independent External Review), which will be reported next month.

Ms. Watanabe reported that the Third Party Administrator met all performance standards for the month of February.

Chairman Allenby asked if there were any questions or comments from the Board or from the audience. Ms. Rouillard said she was pleased to see that the calls are getting answered quickly within the timeframes because it was an issue for a while. She complimented the TPA on a job well done.

The PCIP TPA Performance Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_8.c._PCIP_TPA_Perf_for_February_2012.pdf

Utilization Fact Sheet: Maternity or Related Services

Ms. Watanabe reported on Agenda Item 8.d, the Utilization Fact Sheet for Maternity or Related Services. The fact sheet provides an overview of maternity or related services received from the inception of the PCIP in October of 2010 through December of 2011. There was much interest at last month's Board meeting when the cumulative utilization report for the program from inception to the end of 2011 showed that pregnancy, childbirth or puerperium was the third most common reason for inpatient hospitalization. Staff reviewed enrollment and claims data and found that there were 396 subscribers who received maternity or related services during this time period, or approximately 6 percent of subscribers enrolled at any time during this period.

The claims data shows that while this was the third most common reason for inpatient hospitalization, it represents $2.4 million or only 3 percent of total claims during this period, and therefore is a very small percentage of the total claims. The chart contained in the fact sheet shows that claims related to pregnancy, childbirth or puerperium accounted for the majority of the claims. There has been some interest in what is known about the subscribers receiving these services and whether or not pregnancy was the condition that led them to enroll in PCIP. This is not completely clear. Only 46 of the 396 subscribers listed a pre-existing condition on their application. Forty-three of the 46 subscribers listed pregnancy as the pre-existing condition. This is a very small number and does not provide a good picture of what pre-existing condition led pregnant women to enroll in PCIP.
Ms. Watanabe also explained that the 396 subscribers who received maternity services were enrolled for an average of 6.4 months. Their average retention rate is very similar to that of all subscribers: 72 percent compared to 81 percent for all subscribers. Only 81 of the 396 subscribers disenrolled by the end of December.

Chairman Allenby said that statistic could lead one to conclude that these subscribers had other pre-existing conditions. Ms. Watanabe and Ms. Casillas agreed with Chairman Allenby's observation.

Chairman Allenby asked if there were any questions or comments from the Board or the audience.

Ms. Casillas said the fact sheet had been shared with the federal government prior to its public release at this Board meeting. She said the federal government appreciated MRMIB's transparency and the manner in which the Board is displaying data for both the federal government and the public. She added that MRMIB is doing more to publicly report and analyze the data than other states. Ms. Casillas also acknowledged Ms. Watanabe's return to the Benefits and Quality Monitoring Division from Eligibility as a manager.

The PCIP Utilization Fact Sheet: Maternity or Related Services document can be found at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_8.d._Utilization_Fact_Sheet_Maternity_Services.pdf

Update on Outreach Activities

Ernesto Sanchez reported on Agenda Item 8.e, the PCIP Update on Outreach Activities. He provided Board members with a review of last year's campaign and noted positive results: a 142 percent increase in web hits, call center volume increases of 88 percent and an increase in monthly applications of 62 percent. Program growth culminated in California's PCIP becoming the largest PCIP in the nation in November 2011. Mr. Sanchez also highlighted media coverage obtained by MRMIB External Affairs; outreach to legislative staff and organizations; training and growth of support from agents, brokers and certified application assistants; paid media and social media strategies.

Mr. Sanchez presented a one-page recommendation to the Board outlining how the campaign would continue for the next year, and noted that expansions would include other languages, cable television and a smart phone app. Ms. Wu asked if staff could investigate adding Chinese to languages used. Mr. Sanchez said that would be investigated.

Chairman Allenby asked if there were any other questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The PCIP Update on Outreach Activities report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_8.e_PCIP_Outreach_Campaign_Update_3-21-12.pdf

Authorization to Amend the MAXIMUS, Inc. Contract to Continue Outreach Activities

A motion to approve the resolution included in Agenda Item 8.f, authorizing an amendment to the contract with MAXIMUS to continue PCIP outreach activities, was made, seconded and unanimously adopted by the Board.

Ms. Wu asked if staff could explore the possibility of Asian language advertisements, particularly in newspapers. Ms. Wu said there are a couple of Chinese newspapers that she would like staff to explore. Mr. Sanchez said staff would look into Chinese language advertisements and the newspapers.

The Resolution Authorizing Amending the MAXIMUS, Inc. Contract, et al., is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_8.f_Authorization_to_Amend_the_MAXIMUS_Inc_Contract_to_Continue_Outreach_Activities.pdf

Other Program Updates

Ms. Casillas said there was nothing to report for this Agenda Item.

MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE

Enrollment Report

Mr. Walton reported on Agenda Item 9.a, the MRMIP enrollment report. Current program enrollment is 6,110, with 159 new subscribers in February. There were no notable changes in plan enrollment distribution or demographics compared to last month. Los Angeles and San Diego are the top two counties in program enrollment. There is currently no MRMIP wait list.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

The MRMIP Enrollment Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_9.a._MRMIP_Board_Report_Summary_for_June_2011.pdf

Administrative Vendor Performance Report

Mr. Walton reported on Agenda Item 9.b, the MRMIP Administrative Vendor Performance Report. The administrative vendor met all performance standards for eligibility determination and call center measurements.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The MRMIP Administrative Vendor Performance Report chart is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_9.b._MRMIP_Adm_Vendor_Perf_for_June_2011.pdf

HEALTHCARE REFORM UNDER THE AFFORDABLE CARE ACT

Ms. Casillas reported on Agenda Item 10, Healthcare Reform Under the Affordable Care Act. The Exchange announced awarded the six-month outreach contract to

the public relations firm Ogilvy, bringing to the table numerous subcontractors and expertise and experience in branding, creative development, media planning, public relations, and community outreach. Ogilvy will develop and administer a proposed plan and a budget that will be built into the Level Two grant proposal submitted to the federal government in June. This will entail numerous deliverables in a short timeframe. Once federal funding is received, the Exchange will begin implementation on these activities. Concerning another solicitation, Ms. Casillas indicated that all IT proposals have been submitted and are under review. There was vendor interest in the solicitation and a contract is expected to be awarded in mid-April.

Chairman Allenby noted that the turn-around on the IT award was relatively fast. Ms. Casillas agreed and said the Exchange also released a solicitation last month to hire a contractor to assist in managing and overseeing development and deliverables for the whole project.

The Exchange hired the firm of Milliman to study different options by which California can select the essential health benefit design for California. Ten different benefit offerings from the federal plan, as well as Blue Cross, Blue Shield, CalPERS, selected small group and commercial large groups were reviewed. The conclusion resulted in development of a complex grid with marginal differences among plan benefits. Ms. Casillas said the conclusion is that California is going to have some comprehensive benefits in the Exchange. The next step is issuance of a federal notice of rulemaking, and, at the state level, the Legislature must determine what state entity has the authority to determine benchmark and quite possibly what the benchmark is.

CMS also released final regulations on March 12. The regulations establish standards for the Exchange in a variety of areas. One area is the establishment and operation of the Exchange, requiring a state plan approved no later than January 1, 2013. If it did not appear that the California Exchange would be ready for operations on January 1, 2014, there are provisions that allow a launch a bit later in the year. CMS also issued standards on qualified health plans. CMS is requiring high quality coverage similar to that of a typical employer-sponsored health plan. Further, the federal regulations defer to the states the number and type of plan choices allowed to participate in the Exchange. The federal rules also allow exchanges to coordinate with state regulators to set standards on access to a variety of different types of providers within a reasonable amount of time; these are the timely access standards.

Chairman Allenby said that when MRMIB began HIPC (Health Insurance Plan of California) years ago, there was a question at the outset as to whether the employer or the individual would select the plans. He asked if the federal government had opined on this issue yet. Mr. Figueroa said the federal government has said that employers can select the plan level from among the specific levels named for precious metals and then employees could choose within the offerings of that level.

Ms. Casillas said that the federal government will also release a single federal application which states may use, or each state may develop its own application.

If the state chooses to develop its own application, it must be a single application for the Exchange, Medicaid, Healthy Families and the Basic Health Plan, if California chooses to develop one.

Chairman Allenby asked why California would not use the federal application. Ms. Casillas said the federal application has not yet been released to the states so it is unknown whether it would work for California. Mr. Figueroa said stakeholder groups are coming together next month to study the federal application or recommend a state version. Chairman Allenby said if one application was used for all states, it would lead to more usable data.

Ms. Casillas said that the federal government was requiring a simple redetermination process – a simple verification of data – and wants all states to do this electronically, wherever possible. They are also requiring coordination among all public programs: Medi-Cal, Healthy Families the Basic Health Plan, as well as the Exchange. Concerning eligibility determinations, the federal government will allow exchanges to conduct final determination of Medicaid eligibility, as long as the Medicaid program provides the Exchanges with business rules. Otherwise, a state can elect to conduct a preliminary screening and have the county conduct the final eligibility determination. Once eligibility has been determined, the standard of "no wrong door," which MRMIB supports, will apply. Federal standards have been established for building partnerships with navigators. Summary federal documents also indicate that states are required to award grants to navigators representing at least two organizations.

For the Small Business Health Options Program (SHOP), exchanges are given the authority through 2016 to define what the small group market size is, such as 1-50 employees or 1-100 employees. In 2016, employers with fewer than 100 employees can participate in SHOP; in 2017, employers with more than 100 employees may participate. Last month the Exchange issued an RFP to hire a contractor to design and develop SHOP functionality and design.

Ms. Casillas said MRMIB would continue to collaborate with the Exchange not only on IT projects but also on eligibility and outreach activities.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

HEALTHY FAMILIES PROGRAM (HFP) UPDATE

Enrollment and Single Point of Entry Report

Mr. Sanchez reported on Agenda Item 11.b, HFP Enrollment and Single Point of Entry. For the month of February, there were slightly more than 864,000 subscribers. Enrollment for February was slightly under 24,000. The top five counties of enrollment still account for about 59 percent of enrollment. The top two languages spoken by applicants were English and Spanish. About 36 percent of applications were electronic, with about 56 applying without assistance. As in the past, Healthy Families Program enrollment shows seasonal peaks.

From the year-end holidays through February, enrollment slows and then picks up again from March through May and again in the back-to-school months.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The HFP Enrollment and Single Point of Entry Report can be found at: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_11.a._HFP_February_2012_Summary.pdf

Administrative Vendor Performance Report

Mr. Sanchez reported on the HFP Administrative Vendor Performance Report for February. The administrative vendor met all performance standards for single point of entry, processing and forwarding applications and the toll-free line. The administrative vendor also met performance standards for processing applications and appeals, data transmissions to the plans and the toll-free line standards were also met. For the month of January, the vendor met all quality and accuracy standards for processing applications, making eligibility determinations, accuracy of appeal determinations and electronic transactions.

Chairman Allenby asked if there were any questions or comments from the audience. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The HFP Administrative Vendor Performance Report is located at: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_11.b._HFP_Adm_Vendor_QA_2012_02.pdf

2011 Open Enrollment Report

Kathi Dobrinen reported on Agenda Item 11.c, the 2011 Open Enrollment Report for HFP. During the benefit year 2011-12, Open Enrollment was held from July 15 and August 31, with transfer effective dates of October 1. Families required to change a health, dental or vision plan, or whose premiums would be affected by a CPP designation, were sent customized packets. Families whose health, dental and vision plans were going to remain available and whose premiums were not affected by CPP designations received postcards. More than 465,000 postcards and 46,000 packets were sent to families. Slightly more than 3,300 families were forced to change plans because their plans were no longer available and they did not respond to the open enrollment. However, families have 30 days from the effective date of the transfer to request a new plan. Of those families forced to change plans, only 95 or 2.9 percent requested a transfer. A total of 35,300 children were transferred, with slightly more than 2 percent transferring voluntarily, a decrease of 0.12 percent from previous year; and just under 1.5 percent transferred involuntarily, a decrease of just over 6 percent from the previous year. In a majority of the transfers, subscribers changed only their health plans.

A satisfaction survey found no significant changes over last year among families who changed plans for either voluntary or involuntary reasons. Three percent of families responded to the satisfaction survey; the average satisfaction score was 3.4 on a scale of 5, a decline of 0.7 percent from the previous year. A total of 0.4 percent of families responded to the dental plan survey, with an average satisfaction score of 2.4, a decrease of 0.4 percent from the previous year. The vision plan survey received a 0.2 percent response rate with the average satisfaction score of 3.9, a decrease of 0.1 percent from the previous year.

Subscribers were also asked to list the reasons they were leaving their health, dental or vision plan. The top reasons for a health plan were the following: problem getting a doctor they were happy with, appointments to see the doctor have to be made too far in advance, problem getting a specialist when needed, not satisfied with the medical care received, or not being able to see a doctor when the need was urgent. The top five reasons for dental and vision were very similar, except that the top reason was that appointments to see the dentist or eye doctor had to be made too far in advance.

Overall, just over 19,400 subscribers, or 2.2 percent of all HFP children, changed health plans during Open Enrollment. Just over 22,000 subscribers, or nearly 2.6 of all HFP children transferred to a new dental plan. Finally, a little more than 8,800 subscribers, or 1 percent of all HFP children, transferred to a new vision plan. Ms. Dobrinen suggested that the low transfer rate is probably due to the skills of MRMIB's negotiation team, which created stability in plans and budget areas.

Chairman Allenby asked if there any questions or comments from the Board.
Ms. Rouillard asked about the decline of satisfaction scores in all three categories. Does this mean that people are less satisfied now than they were last year?
Ms. Dobrinen said that this was correct among the subscribers who responded to the survey.

Chairman Allenby asked whether there were any questions or comments from the audience. There were none.

Mr. Figueroa asked whether this Open Enrollment survey data was used in conjunction with other data, such as the CAHPS Survey and D-CAHPS Survey to figure out what is going on in the program broadly. Ms. Casillas said that was correct. Data is studied, but care is taken not to draw conclusions. For example, if one looks at the number of individuals who responded to the satisfaction survey on the health side, it is a very small number – 1,400 out of the more than 19,000 persons who transferred plans. But it is one indicator that MRMIB reviews.

The HFP 2011 Open Enrollment Report is located here:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_11.c._2011_annual_OE_Report_%28Board%29_FINAL.pdf

Health-e-App Public Access: A New Online Path to Children's Health Care Coverage in California, a Research Brief by MATHEMATICA

Mr. Sanchez reported on Agenda Item 11.d, the Health-e-App Public Access: A New Online Path to Children's Health Care Coverage in California Research Brief by Mathematica. In cooperation with Mathematica and the Lucille Packard California HealthCare foundations, MRMIB participated in this analysis of the Health-e-App Public Access. This is the first in a series of briefs that will be released this next calendar year. The brief looks at the first year of Health-e-App, which was implemented in the English language version in December of 2010, followed a month later by the Spanish language version. The study associated Health-e-App Public Access with a 14 percent increase in applications between 2010 and 2011, 254,900 applications submitted in 2011 in contrast with 223,700 applications submitted in 2010.

The study found that 81 percent of Health-e-App users were female with approximately 77 percent having incomes at 200 percent or below the federal poverty level. A total of 98 percent of them completed the online application in English. Thirty-seven percent of users were between the ages of 19 to 29. Fifty-eight percent were 30 to 49. In summary, Health-e-App users were younger, female and had slightly higher incomes than the average HFP population.

The five counties with the largest HFP enrollments continued to also have the highest Health-e-App Public Access participation measured by the number of applications submitted: Los Angeles County had 19 percent, Orange County 12 percent and San Diego, Riverside and San Bernardino counties together had 33 percent. Some of these counties have more rural communities that are using the public online application. Nine of the 30 rural counties had at least 20 percent of all applications submitted online.

Approximately 64 percent of the applications submitted through Health-e-App Public Access this first year were complete with all questions answered. This includes submission of supporting documentation. This is slightly higher than the 61 percent of persons who filled out a paper application, but not as high as the 79 percent completion rate for applications submitted with assistance from a CAA. Additionally, about 25 percent of applications submitted through Health-e-App Public Access were completed outside normal business hours, on evenings and weekends.

Mr. Sanchez said that the new tool provides targeted efficiency. A percentage of Californians become eligible for coverage through Healthy Families or were screened to be potentially eligible for Medi-Cal as a result of the application. Specifically, the study shows that 73 percent of Health-e-App Public Access users were either determined eligible for Healthy Families or found potentially eligible for Medi-Cal. This is higher than the 58 percent for paper applications, and slightly lower than the 87 percent for people assisted applications by CAAs.

Mr. Sanchez said that the California experience with Health-e-App Public Access may help policymakers looking at implementation of the Affordable Care Act. He indicated that, while the application can be made more user-friendly, the issue of

supporting documentation is still a barrier to application completion. Mr. Sanchez also indicated that Health-e-App shows potential for use with the new administrative verification requirement through the federal HUB, moving toward real-time enrollments because of the availability of income or citizenship information or even immigration status that in the past would be major barriers to submitting a completed application.

Mr. Figueroa said he has spoken to representatives of the David and Lucille Packard Foundation about Health-e-App in some detail and they are very pleased by the number of hits to the website from all over the country looking at this tool because there are not many CHIP programs that use an online application. There is a lot of interest because of the exchanges and new technology. Based on data to date, Mr. Figueroa asked if the application could be edited to provide for additional user assistance, such as reminders to call the administrative vendor for additional assistance. Mr. Sanchez said that the current online process has a help function to answer questions online and a toll-free number for phone assistance. The application does not have a live online help chat function.

Mr. Figueroa said that maybe additional efforts could be made to remind people of what is needed to complete an application. He suggested sharing the study with the Exchange, CALHEERS, legislative staff and others.

Chairman Allenby asked if there were additional questions or comments from the Board. Hearing none, he asked if there were questions or comments from the audience. There were none.

The document on Health-e-App Public Access can be found here: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_11.d._Health_E-App_IB1_030512.pdf

Outreach & Social Media Update

Mr. Sanchez said that, after outreach funding was eliminated for HFP and AIM, low-cost methods were employed. HFP's vendor Maximus assisted in creating Facebook and Twitter pages for MRMIB, and these were launched in July 2010. In April of 2011, a blog was launched with interactive communication. Information is posted by Maximus, including such topics as Open Enrollment, the change in Federal Income Guidelines, the Earned Income Tax Credit and a new state law requiring programs to remind people of this credit during tax time. The blog includes program information and questions the public may ask about the program. Mr. Sanchez said content is pre-approved before posting. He said that the posts even include quotes of Chairman Allenby from news releases.

From January 2011 to February 2012, the number of Healthy Families Facebook followers grew by nearly 200 percent and AIM Facebook followers by 300 percent. AIM has the Text for Baby program. Followers of HFP and AIM on Twitter grew by nearly 200 percent and 215 percent, respectively, during the same time period. Mr. Sanchez thanked Darryl Lewis of the Eligibility, Enrollment and Marketing Division for his work with Maximus to update social media posts.

Mr. Sanchez also reported on a modest outreach campaign for Health-e-App funded by foundation partners. The campaign resulted in an increase of electronic applications submitted from 40 percent of the total to 48 percent of the total by January 2012There have been nearly 140,000 visitors to the Health-e-App website with nearly 40,000 unique visitors on the Health-e-App site. The report also notes the partnerships with ethnic media, especially Telemundo, La Opinion, El Mensajero, Dr. Alisa as the spokesperson for Health-e-App Public Online Access and some community partnerships.

Mr. Sanchez stated that, as the report highlights, while MRMIB has limited without outreach budgets since July 2009, MAXIMUS, MRMIB and MRMIB's community partners continue the "stone soup" approach, using new and creative ways to find other avenues to promote MRMIB's programs

The HFP Outreach & Social Media Update summary can be found at: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_11_.e._HFP_AIM_Outreach_Summary.pdf

2009-10 Out of Pocket Expenditure Report

Aiming Zhai presented Agenda Item 11.f, the 2009-10 Out-of-Pocket Expenditure Report for the Healthy Families Program. Federal law limits the total of the premiums plus copay expenses to no more than five percent of household income for children enrolled in HFP. The program assures compliance with these requirements by limiting the total amount of copayments incurred per family for health services to no more than $250 per benefit year, regardless of the family size. The 2009-10 report provides 15 months of data; the analysis is adjusted to 12 months. Program changes on November 1, 2009, significantly affected report results. At this time, co-payments and premiums increased for families in income categories B and C, those with incomes over 150 percent of federal poverty level.

These changes resulted in a nearly three-fold increase in the number of families reaching the $250 copayment maximum from the 2008-09 benefit year to the 2009-10 benefit year. While 549 families reached the $250 co-payment maximum in the 2008-09 benefit year, that number surpassed 3,000 for the 2009-2010 benefit year. The exact figure was 3,479 families for 15 months of data; adjusted for 12 months, the total came to 1,636.

Chairman Allenby commented that the number still accounted for a small percentage of HFP families. Ms. Zhai agreed and said the percentage of HFP families that incurred a copayment greater than $250 it was still less than one percent – 0.33 percent to be exact. One family actually paid more than five percent of annual income for health care services for a total of 7 percent of family income. This family was refunded the overage by the health plan prior to the reporting period so this was not reflected in the data.

Chairman Allenby asked if there were any questions or comments from the Board. Mr. Figueroa asked whether Ms. Casillas could provide a copy of the report to Senate Health Committee staffer Scott Bain. Ms. Casillas said that she would.

Ms. Wu asked that staff look at whether English as a second language was a barrier to how people are notified of their copay limit. Ms. Casillas said that staff was studying that issue for persons with limited ability to speak English. It is being studied from both a cultural and a language perspective to see whether this is a problem. This issue also came up on the Grievance Report and will be taken to the HFP Quality Committee for further discussions, and will be discussed with the Board.

Chairman Allenby asked if there were any further questions or comments. Ms. Rouillard questioned whether current contracts require plans to notify subscribers mid-way through the year about copayment maximums. Ms. Casillas said she would look into that and inform the Board. Ms. Rouillard said she also wondered whether this was a requirement in plan contracts and if so, had that led to better tracking of copayments paid. Ms. Casillas said her belief was that the increase in copays was the driving factor that resulted in families reaching the $250 co-payment maximum, along with the push for better oral health utilization.

The HFP 2009-10 Out of Pocket Expenditure Report can be found at: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_11.f._2009_10_Out_of_Pocket_Expenditure_Report.pdf

Updated 2011-12 Dental Plan Service Area Grid

Mr. Lee reported on Agenda Item 11.g, the Updated 2011-12 Dental Plan Service Area Grid. Mr. Lee said that in May of 2011, staff informed the Board that Delta Dental would be bringing a new DMO product into 33 counties. The new product is known as Delta Care USA. Shortly after that report, it was brought to MRMIB's attention that Delta Care USA was unable to secure a provider network in some of these counties and only pursued DMHC licensure in 21 counties. Since then, Delta Dental has informed staff that they will be open to new enrollment in the remaining 12 counties effective March 1, 2012. These 12 counties are reflected on the Dental Plan Service Area Grid provided today.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The Updated 2011-12 Dental Plan Service Area Grid is located at: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_11.g_Updated_2011_2012_Dental_Plan_Service_Area_Grid.pdf

2011 Federal Annual Report

Ms. Esajian reported on Agenda Item 11.h, the 2011 Federal Annual Report. MRMIB submitted California's 2011 Federal Annual Report, which assesses the operation of the state's CHIP (Healthy Families in California) to the federal government on March 14. The report covered the 2010-11 federal fiscal year. Board materials include a summary of the nearly 200-page report. The report's content is very broad, offering the federal government essentially a 360-degree view of the program in California. The Challenges and Accomplishments section provides a detailed summary, including the high points of the last year.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The 2011 Federal Annual Report can be located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_11.h._2011_FAR.pdf

CHIP Reauthorization Implementation

Ms. Casillas said there was nothing to report for this Agenda Item.

Other Program Updates

Ms. Casillas said there was nothing to report for this Agenda Item.

ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE

Enrollment Report

Mr. Sanchez reported on Agenda Item 12.a, the AIM Enrollment Report. In the month of February, 921 new subscribers were enrolled in the AIM Program, bringing total enrollment to just below 6,800. Latinas continue to be the largest demographic population in the AIM Program. The top 18 counties accounted for 86 percent of enrollment. Plan distribution is provided in the report, which also shows that the program has the same seasonality trends previously discussed.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The AIM Enrollment Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_12.a._AIM_Feb_2012_summary.pdf

Administrative Vendor Performance Report

Mr. Sanchez reported on Agenda Item 12.b, the AIM Administrative Vendor Performance Report for the month of February. The vendor met all the standards for processing and completing application processing, data transmissions and the toll-free line standards; the vendor also met the quality and accuracy standard for making eligibility determinations for AIM applications.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The AIM Administrative Vendor Performance Report is located at: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_032112/Agenda_Item_12.b._AIM_Adm_Vendor_Perf_Feb_2012_Summary.pdf

Update on Health Plan and State Supported Service Contracts

Mr. Lee presented Agenda Item 12.c, the AIM Update on Health Plan and State Supported Service Contracts. He reminded the Board that AIM contracts are set to expire at the end of March. He announced that through contact negotiations, staff had been able to work with plans to extend five of the seven AIM contracts through December 31, 2013. Those five plans include Anthem Blue Cross, Ventura County Health Plan, Contra Costa Health Plan, Health Plan of San Joaquin and CenCal Health Plan. Staff was able to negotiate amendments to the remaining two AIM plan contracts, Kaiser and Central California Alliance, extending those contracts through September 30, 2012.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

Other Program Updates

Chairman Allenby asked if there were any additional Program Updates.
Mr. Figueroa said he wanted to again thank the staff for the hard work and the plans for dealing with the AIM issues to allow for strong continuity of care through the transition in 2014. Chairman Allenby concurred.

The meeting was adjourned at 12:49 p.m.